OFFICE OF GOVERNOR RONNIE MUSGROVE INTEROFFICE MEMORANDUM

TO: GOVERNOR

FROM: SMITH

SUBJECT: NURSING HOME NEED STANDARD

DATE 10/29/03 **CC**: FILE

Medicaid's Nursing Facility (NF) limit is tied to the SSI payment limit for an individual. Each state can set its own NF income limit at a minimum of the SSI limit or a maximum of 300% of this limit. Each year when the federal government determines the cost of living increase for Social Security benefits, the SSI limit and our NF limit are subject to change. This year the cost of living increase is 2.1%. The SSI limit is increasing from \$552 to \$564 per month, which will allow our NF limit to increase from \$1656 to \$1692 (300% of \$564).

If we do not increase the NF income limit, then approximately 20 or more individuals currently eligible in a NF would be required to execute a trust to remain eligible.

I have reviewed this request and recommend that you sign.

Please check approved, date and sign the attached request.